

Air Pollution Control Permit Basics

Why are air pollution control permits needed?

Air permits limit the amount of air pollution a facility is allowed to emit so the air people breathe stays clean and healthy. Permits identify the regulatory requirements that facilities must meet and help facilities show compliance with those requirements.

The Wisconsin air pollution control permit program consists of two main subprograms: one for **construction permits** and one for **operation permits**.

Construction permits ensure that proposed projects can meet air pollution standards before they are constructed.

Operation permits set emission limits and establish monitoring, record-keeping and reporting requirements. Operation permit conditions may be revised as facilities expand, replace equipment or change operations.

Individual permits are customized to promote environmental compliance and provide a basis for legal enforcement if permit conditions are violated.

The permitting process is meant to be transparent. Almost all permit-related documents are open records, including applications, modeling analyses and permit drafts. Input from the public and the permit applicant is encouraged throughout the process and can affect the content of the permit. Federal and state laws require all air pollution sources in Wisconsin to have a permit unless the Department of Natural Resources (DNR) determines the source is exempt.

Construction Permits

A construction permit allows a company to construct, modify, expand or replace an air pollution source. A construction permit also allows a company to operate the source for an initial trial period. This trial period is used to test equipment and demonstrate compliance with permit conditions. The source may be entirely new or part of an existing facility.

Application Process

Companies currently submit applications for construction and operation at the same time, using the same set of forms. The construction permit typically expires after 18 months and can be extended up to another 18 months unless the permit specifies otherwise.

Minor and major sources

Construction permits have different requirements depending on the permittee's potential to emit certain pollutants, and the air quality where the new source is located. A major emission source in an area of poor air quality, for example, will probably undergo a more detailed permit process than a minor source in an area of good air quality. Explanations of major, minor and exempted sources, "non-attainment" areas and New Source Review (a process that affects new and modified major pollution sources) are found in the *DNR Air Permit Glossary*.*

Timing

After a construction permit application is complete, the DNR will prepare a preliminary decision to approve or deny the permit. A 30-day public comment period follows, and a public hearing may be scheduled afterward. The DNR has 60 days after the close of the comment period or hearing to issue or deny a construction permit.

Fees

Fees for construction permit processing in fiscal year 2003 ranged from \$2,300 to \$111,600, with an average of \$13,260 and a median of \$9,050. Check the *DNR Air Permit Glossary** for an itemized list of construction permit fees.

DNR Work Progress

The DNR issued 177 construction permits in fiscal year 2003, 27 of which involved major pollution sources. Average processing time from the receipt of a complete application to final permit decision was 90 days. The DNR is revising Wisconsin's New Source Review rules to address December 2002 federal rule changes. Revisions will maintain environmental protection, reduce administrative burdens and provide increased flexibility to industry.

Operation Permits

An operation permit allows a company to operate a pollution source. The operation permit typically covers all polluting equipment and activities within a facility. When a company makes a change by constructing, modifying, replacing or reconstructing an air pollution source, its operation permit conditions may change. The company may also need a construction permit before such changes are undertaken.

Application Process

New Pollution Sources

Companies undergoing construction or modification currently submit applications for construction and operation at the same time, using the same set of forms. Initial operation of the source begins under the terms of the construction permit.

During the initial operation period, the permittee carries out the testing, monitoring and compliance certification provisions of the construction permit. Results are promptly submitted to the DNR, thereby completing the operation permit application. The permittee is then automatically covered under an application shield until the operation permit is issued.

Existing Pollution Sources

Federal and state laws require most existing pollution sources to have an operation permit. In Wisconsin, existing facilities usually have a facility-wide operation permit to consolidate all operation permit requirements. Additional or modified pollution sources at these facilities are permitted through a revision to the facility-wide permit.

Minor and major sources

Operation permits are generally divided into two categories: minor source permits and major source permits. Major source permits are issued to sources that have the potential to emit pollutants above certain levels. Minor source permits are issued to sources that do not have the potential to emit above these levels. Major source operation permits (and some minor source operation permits) are sometimes called **Title V** (**five**) or **Part 70** permits in reference to portions of the Federal Clean Air Act and U.S. Code that regulate these sources. Check the *DNR Air Permit Glossary** for more details.

Other operation permits

Synthetic minor operation permits (also called Federally Enforceable State Operating Permits) apply to those sources that might normally be considered major sources but take documented, federally enforceable actions to reduce their emission potential below major source levels.

General operation permits are available only to sources in certain categories such as rock crushers or small heating units. These permits apply to either a whole facility or a process line and contain the same types of limitations and conditions as other permits. Each company that receives a general operation permit is subject to identical permit terms and conditions. The application and review process is substantially simplified based on what the DNR knows about the source category.

Timing

Once the operation permit application is complete, the company will be protected under an application shield until the operation permit is issued.

Fees

There is no application fee for an operation permit, but companies required to have an operation permit are sometimes subject to annual emissions fees. These fees are only applicable if actual emissions are greater than certain thresholds in a given calendar year. Annual emissions fees in 2002 ranged from \$179 to \$473,726, with an average of \$7.650.

DNR Work Progress

The DNR received about 1,300 operation permit applications between May 1994 and October 1995, after federal rule changes required all major and some minor pollution sources to obtain new operation permits.

As of December 2003, the DNR has processed about 960 of these 1,300 applications. The DNR plans to process the rest of these applications by December 31, 2004. All synthetic minor permit applications (FESOPs) will be processed by July 1, 2005. The DNR Air Permit Streamlining Team is collaborating with stakeholders and other states to improve permitting efficiency.

* The DNR Air Permit Glossary and other information on air permits can be found online at: $\frac{h t t p://d n r. w i. g o v/o r g/a w/a i r/a p i i/}{1}$ If you have questions, please contact Jeff Hanson, DNR at (608) 266-6876.

